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SENATE BILL 115
By Atchley

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N ACT to amend Tennessee Code Annotated,
Sections 8-34-101(34), 8-34-625, 8-34-
627, 8-35-105, 8-35-206(d)(3), 8-35-218,
8-35-234, 64-5-216; and Title 8, Chapter
35, Part 4, Title 8, Chapter 36, Part 8, Title
8, Chapter 37, Part 3 and Title 8, Chapter
37, Part 5, relative to the Tennessee
consolidated retirement system.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-34-101(34), is amended by deleting
the same in its entirety and by substituting instead the following:

(34) "Retirement allowance" means the sum of the member annuity and the state
annuity. All retirement allowances shall be payable in equal monthly installments, which
shall cease with the month in which death occurs, unless otherwise specifically provided
herein; provided, that if the retirement allowance is less than ten dollars (\$10.00) per
month, it shall be paid in a lump sum of equivalent actuarial value. If the entire monthly
retirement allowance is ten dollars (\$10.00) or more per month but less than fifty dollars
(\$50.00) per month, it shall be paid in a lump sum of equivalent actuarial value unless the
recipient thereof files with the retirement division an election to receive the benefit in
equal monthly installments pursuant to this subdivision. To be effective, the recipient
must file the election by no later than sixty (60) calendar days after the recipient's receipt
of the lump sum payment and the recipient must return any such payment to the
retirement division. Notwithstanding any provision of this subdivision to the contrary,
any retirement allowance that equals ten dollars (\$10.00) or more per month but less than
fifty dollars (\$50.00) per month shall be paid in a lump sum of equivalent actuarial value
if such allowance is payable on account of a person who became a member of the
retirement system on or after July 1, 2001;

SECTION 2. Tennessee Code Annotated, Section 8-34-625(a), is amended by deleting the same in its entirety and by substituting instead the following:

(a) Subject to the approval of the board of trustees, any member, other than an employee of a political subdivision, who receives temporary disability benefits under a workers' compensation program administered by or on behalf of an employer as defined in § 8-34-101(16) shall be entitled to establish retirement credit for the period of disability by making a lump sum payment of contributions the member would have made on the basis of the member's salary in effect immediately prior to the period of disability, plus interest at the rate provided in § 8-37-214.

SECTION 3. Tennessee Code Annotated, Section 8-35-105(a), is amended by inserting immediately after the word and punctuation “name,” in the first sentence thereof the word and punctuation “address,”.

SECTION 4. Tennessee Code Annotated, Section 8-35-105, is amended by adding the following new subsection at the end thereof:

(f) The board of trustees is hereby authorized to promulgate substantive and procedural rules and regulations requiring that the information described in subsection (a) hereof be transmitted by the employer through an electronic medium.

SECTION 5. Tennessee Code Annotated, Section 8-35-206(d)(3), is amended by deleting the first sentence thereof and by substituting instead the following:

The board of trustees may require that a new study be performed if the political subdivision does not begin participation within six (6) months after the effective date of the initial actuarial study.

SECTION 6. Tennessee Code Annotated, Section 8-35-218(12), is amended by deleting the same in its entirety and by substituting instead the following:

(12) Employer contributions may be adjusted as frequently as monthly should such additional contributions be needed to fund the benefits of members and beneficiaries covered under this section;

SECTION 7. Tennessee Code Annotated, Section 8-35-234, is amended by deleting from subdivision (2) the words “serving as a city judge” and by deleting from subdivision (4) the punctuation and words “; provided, that the municipality may require the employee to pay the employer share of such liability”.

SECTION 8. Tennessee Code Annotated, Section 8-37-502(a), is amended by adding the following new sentence at the end thereof:

The board of trustees is hereby authorized to promulgate substantive and procedural rules and regulations requiring that such forms contain all or a portion of the information described in § 8-35-105(a).

SECTION 9. Tennessee Code Annotated, Section 64-5-216, is amended by deleting from the first sentence thereof the words “as state employees” and by substituting instead the words and figures “pursuant to the provisions of title 8, chapter 35, part 2”.

SECTION 10. Tennessee Code Annotated, Title 8, Chapter 37, Part 5, is amended by adding the following new section:

8-37-506. The board of trustees is hereby authorized to promulgate substantive and procedural rules and regulations requiring that the contributions and monthly reports described in this part be transmitted by the employer through an electronic medium.

SECTION 11. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.